THE SECOND DAY.

Friday, the 11th March, 1932.

The Assembly met again at 11-30 A. M., the Dewan presiding.

DEWAN : Ladies and gentlemen, we will now proceed with the representations by the members. The subjects will be taken up in the serial order in the printed list. The Chief Secretary to Government will call out the name of the member and the subject. I want you particularly to look into Rule XXI of the Assembly Rules. The time allotted for each representation is 15 minutes ; and I must ask you not to exceed the time. We are all busy people, and we do not want to be kept longer than is necessary.

Some of the subjects contain ten, fifteen, or twenty different items. In such cases, I should like the member, if he would be so kind, to confine his remarks to one or two of the most important subjects, as he cannot possibly cover 15 subjects in 15 minutes with any profit to us or to himself.

The consideration of the subjects according to the list copies of which were distributed among the members the previous day was then taken up.

1. Finances of the State.

MR. R. RAMAN PILLAI (*Quilon taluk, Group II*) conveyed the felicitations of the House to His Highness the Maha Raja on the assumption of ruling powers and also welcomed the Dewan, the first European civilian to be appointed to that office and consequently as the President of the Assembly.

Passing on to his subject, the member said that the State was going through a period of economic depression, when prices of commodities had gone down. The estimated revenue could not be realised. Even in normal times, the financial position of the State could not be said to be sound as more than a fifth of the revenue was derived from abkari, opium and tobacco and which would naturally decrease as the people became more and more enlightened.

One of the ways by which the revenue could be enhanced was by the revision of the terms of the Interportal Trade Convention. It was a matter for congratulation that this and other subjects affecting the finances of the State had already been placed before the Indian States Enquiry Committee.

The State was in such a critical period that additional taxation could not be dreamt of. The revision of the Anchal rates effected recently was an unwise step and might not perhaps result in additional revenue. A judicious administration of the funds available by the introduction of retrenchment measures and avoidance of wastage in expenditure was

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the only other way of improving the finances. The Retrenchment Committee had already made certain recommendations. But, in carrying out these recommendations, care must be taken to see that the axe was not applied in the case of petty subordinates whose pay, even in normal times, was not sufficient to keep them in a hand to mouth existence. Also, no one should be thrown out of employ as this would only increase the number of the unemployed. In this connection the member pointed out that sufficient care was not bestowed on capital expenditure *viz.*, the expenditure on the Trivandrum Railway Extension and the Trivandrum Water Works.

The financial position of the State was dependent on the economic condition of the people. The Economic Depression Enquiry Committee had, it would appear, made certain suggestions in order to improve the economic condition of the people but it was regrettable that the report of the Committee was not published. The Land Mortgage Bank, though an accomplished fact, was not really useful to the people because of the high rate of interest, *viz.*, 7½ per cent., per annum charged on loans.

Motor traffic in the State was draining away a large part of the wealth of the people. There are several waterfalls in the State which could be harnessed for generating electricity. Electric locomotives could easily replace motor vehicles and thereby stop a considerable drain of public money. The question of hydro-electric investigations might therefore be taken up for earnest consideration.

Another way of improving the economic condition of the people was by reducing their burden. Education was very costly, the number of text-books prescribed being out of all proportion to the actual requirements. The pupils in lower classes had to purchase a large number of note books. This system should be changed and the recommendation of the Economic Depression Enquiry Committee in this respect should be given effect to immediately.

The Abkari policy of the Government should be changed. Drink and drinking habits among the people should be brought to the lowest level. Local option should be tried wherever possible.

The cultivation of home salt should be encouraged and the import of foreign salt restricted.

The existing system of education was far from satisfactory and was responsible for a large number of educated unemployed. Some means should be devised for reforming this system.

In conclusion, the member said that one serious obstacle in the way of economic progress was the communal tension among the people as a result of fight for Government employment. A wise system of recruitment to public service without detriment to efficiency would bring about communal harmony.

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DEWAN'S REPLY: Mr. Raman Pillai, you have given a very wide and interesting survey of the problems before us. It is impossible to deal with each one of them now, at the moment; but I can assure you that they will come up in due course and will be considered carefully one after another. One or two points you have raised for which I may give a reply now.

About the enhancement of the Anchal rates, it is too early to say whether this enhancement will result in a bigger income or not. The rates have only recently been enhanced.

The Retrenchment Committee's proposals will all be very carefully considered and they will be justly applied.

The Land Mortgage Bank is only in its very early stages, and it is no doubt true that, with experience, it will be possible to make it more useful to the people.

There is also no doubt about the importance of hydro-electric investigations, and I am confident that we will be carrying on these more and more in the near future.

The other points will be carefully considered.

2. Certain defects in the assessment of wet lands in Nanjinad.

Mr. R. KALIAM PILLAI (*Tovala taluk*) said that the tax on wet lands varied with different taluks, the maximum rates being levied in the taluks of Tovala and Agastisvaram. In the same Division itself there was wide disparity between the rates of assessment in one taluk and those in another. When the wet lands in Nanjinad were surveyed in 995 M. E., there was no uniform standard to determine the extent of one *kotta* of seed-sowing land. In certain places it was taken to be 67,200 square feet while in others it was taken to be 53,750 square feet, but the assessment in each case was made on the *kotta* basis. At the last Settlement, one *kotta* of seed-sowing land was taken to be equivalent to one acre and all the lands were surveyed accordingly and assessed on the acreage basis, while the rates of assessment were based on the old standard. So much so, what was fixed as the assessment for one *kotta* of land according to the old measurement, which was more than one acre in extent, was fixed for one *kotta* according to the new measurement *i. e.*, one acre. This was the chief reason for the heavy assessment in Nanjinad.

A second reason was that the rates of assessment were based on the pre-Settlement rates. While in other parts of the State, these rates were modified by reducing or increasing them to the extent of 10 per cent. the rates in Nanjinad were practically left undisturbed.

Thirdly, there was no uniformity in regard to the grain measures adopted at different times. From 989 M. E. one *kotta* was regarded as equivalent to 9 *paras* and $3\frac{5}{8}$ *edangalies* and one-half of the assessment was first commuted into money on this basis, the commutation rate being fixed at 6 chs. a *para* of paddy. Still later, one *kotta* was considered as

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